

RESOLUTION

Item # RE:

To His Honor, the Mayor, and the Common Council of the City of New Britain:
the undersigned beg leave to recommend the adoption of the following:

Resolution Summary: PURPOSE: To amend the provisions for the licensing of residential rental property.

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF NEW BRITAIN that Article XIV, Chapter 14 of the Code of Ordinances, City of New Britain, concerning licensure of residential property businesses be amended to read as follows (inserted text appears in underline; deleted text appears in ~~strikethrough~~; new sections begin with the word [new]):

ARTICLE XIV. LICENSE FOR RESIDENTIAL RENTAL REAL PROPERTY

Sec. 14-400 **Purposes. Residential Rental Property Business License**

(a) This article is enacted pursuant to the authority granted to the City of New Britain by Connecticut General Statutes § 7-148(c)(7). The City of New Britain is committed to protecting the safety, health and welfare of its residents and to eliminate housing blight. Towards that end, the Common Council adopts this article concerning the operation of Residential Rental Property Businesses.

~~(a)~~(b) This ~~section~~article is not intended to apply to:

1. A natural person or persons ~~and/or married couple~~ that is are renting or leasing a the Residential Rental Property in which such person or married couple which :

- (i) ~~Has there~~ Is his or her primary residence (including an owner-occupants who owns the home through a limited liability corporation),
- (ii) ~~Has had their~~ Was his or her primary residence within the previous two (2) years, if ~~they~~ he or she remains a residents of New Britain,
- (iii) ~~Has He or she~~ inherited from ~~their~~ his or her deceased parent(s) within the previous (2) years, if ~~such natural person or married couple~~ he or she remains a residents of New Britain, or
- (iv) Is occupied ~~Only by~~ have tenants who are blood relatives ~~who pay no rent.~~

~~2. A building operated by a non-profit organization which primarily provides recreational and youth services and the renting or leasing of apartments is not the main purpose of the building;~~

2. A non-profit organization which primarily provides recreational and youth services and does not maintain an Ownership Interest in a building that is primarily utilized for the renting or leasing of Dwelling Units.

~~3. A building which is operated as a shelter for victims of domestic abuse.~~

3. An organization which operates a shelter for victims of domestic abuse and does not maintain an Ownership Interest in a building that is primarily utilized for the renting or leasing of Dwelling Units.

Sec. 14-401. Definitions.

(b) For the purposes of this ~~section~~article, the following definitions shall apply:

1. "Applicant" means ~~a the p~~a Person seeking or required to be licensed or have a license renewed under this section.
2. "Dwelling" means any building located in the city, which is wholly or partly used or intended to be used for living or sleeping by human occupants. For purposes of this article, the term shall be synonymous with "residential rental property."
3. "Dwelling Unit" means any room or group of rooms located within a dwelling, and forming a single habitable unit with facilities which are used or intended to be used for living, sleeping, cooking and eating.
- ~~4.~~ "Hearing Officer" means one or more citation hearing officers, other than police officers or employees of the Licenses and Inspections Division of the Community Services Department appointed by the Mayor to conduct the hearings authorized by this Article.
- ~~4~~ "Licensee" means any person with a valid license pursuant to this section.
- ~~5~~ "Licensing official" means the head of the Licenses and Inspections Division of the Community Services Department or such other person(s) as may be authorized as such by the head of the Licenses and Inspections Division of the Community Services Department or the Mayor.
- ~~6~~ "Own" or "Owner means any person, who either alone or jointly or severally with others:
 - ~~(1) Shall have legal title to any dwelling or dwelling unit, with or without accompanying actual possession thereof; or~~
 - ~~(2) Shall have charge, care, or control of any dwelling or dwelling unit, as owner or agent of the owner, or as executor, executrix, administrator, administratrix, trustee or guardian of the estate of the owner. Any such person thus representing the actual owner shall be~~

~~bound to comply with the provision of this article, and to the rules and regulations adopted pursuant thereto, to the same extent as if he/she was the owner.~~

5. "License" means a Residential Rental Property Business License issued and maintained according to the requirements of this section.
6. "Owner" means any Person holding an Ownership Interest in a Property.
7. "Ownership interest" means any or all of the following categories of ownership in any corporation, limited liability company, trust, partnership, incorporated or unincorporated association or other legal entity:
 - ~~(A) ownership as a proprietor, (B) ownership as a partner or as a member of a partnership, (C) having total or five percent (5%) or greater ownership interest through a limited liability corporation, stock corporation, nonstock corporation or any other kind of business or (D) as a director or officer of any corporation.~~
 - (a) ownership of twenty-five percent (25%) or more of a corporation;
 - (b) ownership of a twenty-five percent (25%) or greater interest in a limited liability company;
 - (c) rights of a beneficial interest of a twenty-five percent (25%) or more of a trust;
 - (d) ownership as a partner in a partnership;
 - (e) ownership or control of a twenty-five percent (25%) or greater interest in a unincorporated association or other legal entity; or
 - (f) holding a position as a director or officer of any corporation.
8. "Person" means and includes any natural person, corporation, limited liability company, trust, partnership, incorporated or unincorporated association, and any other legal entity.
9. "Property Owner" means any Person who:
 - (a) holds legal title to any Residential Rental Property, Dwelling or Dwelling Unit; or
 - (b) has charge, care, or control of any Residential Rental Property, Dwelling or Dwelling Unit as an executor, executrix, administrator, administratrix, trustee, conservator, guardian, or general agent of the legal title holder.
810. "Residential rental property" means any building or structure containing apartments or other space for human dwelling, regardless of whether such apartments or space are occupied. Residential rental property shall refer only to buildings within the city.
911. "Residential rental property trade" means the trade or business of owning and renting or leasing residential rental properties.

10 12. "Residential rental property business" means any person, organization or corporation of any kind engaged in the residential rental property trade.

~~11. "Residential rental property business license" means a license issued and maintained according to the requirements of this section.~~

13. In all references in this article to any "Applicant," "Hearing Officer," "Person" or "Property Owner", the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as circumstances may require.

~~(c) The City of New Britain is committed to protecting the safety, health and welfare of its residents and to eliminate housing blight. Towards that end, the Common Council adopts this ordinance concerning the operation of residential rental property businesses.~~

Sec. 14-402. License required.

~~(d)(a) After February April 1, 2013, it shall be unlawful to carry on for any Property Owner to engage in the Residential Rental Property Trade in the city without a valid residential rental property business License obtained and maintained in accordance with this section. No person, organization or corporation shall own or operate a residential rental property business, be a residential rental property business nor hold any ownership interest in a residential rental property business without being licensed as a residential rental property business, in accordance with this section, either individually or jointly with other persons, organizations and/or corporations. A jointly held residential rental property business license may include a combination of individuals, organization and/or corporations and may allow partnerships owning and persons with an ownership interest in a residential rental property to operate a residential rental property business under a single license, but all persons, organizations, corporations and other entities included in such joint operation shall be both jointly and severally compliant with the provisions of this section.~~

~~(e)(b) The Licenses and Inspections Division of the Community Services Department shall promulgate all of the necessary forms and policies to accept applications for, to issue and to revoke all residential rental property business Licenses according to the provisions of this section. The Licenses and Inspections Division of the Community Services Department shall determine the eligibility for licensure pursuant to this section and shall issue all residential rental property business Licenses and renewals of the same. Any applicant aggrieved by a decision under this section may appeal said decision within thirty (30) days after notice of such decision is sent by informing the Licenses and Inspections Division of the Community Services Department, in writing, that he/she/it Applicant desires to appeal. Upon receipt of said appeal, the said division shall inform the chair of the Housing Board of Appeals, who shall call a meeting of said Board to hear said appeal. The Housing Board of Appeals shall have the power to alter the determination of the Licenses and Inspections Division of the Community Services Department if it finds that the facts do not support the decision. Any residential rental property business License issued or renewed under order from the Housing Board of Appeals shall include, in the text of the~~

License, such caveats, restrictions and requirements as said Board shall deem necessary and appropriate.

~~(f)(c)~~ To maintain a residential rental property business License, a Person, corporation or other entity shall be in compliance with the following must:

1. ~~He/she/it shall~~ Not own nor have an Ownership Interest in any properties classified as a blighted premises according to the Code of Ordinances with blighting conditions that have remained unremedied for more than six months.
2. ~~He/she/it shall~~ Not own nor have an Ownership Interest in any properties with building, housing, health or fire code violations that have remained unremedied for more than six months.
3. ~~He/she/it shall~~ Not own nor have an Ownership Interest in any residential properties left abandoned for more than one year.
4. ~~He/she/it shall~~ Disclose, to the director of Licenses, permits and Inspections Division of the Community Services Department, all properties in the city he/she/it owns or in which he possesses has an Ownership Interest in.
5. ~~If the applicant or licensee is not a natural person, the applicant or licensee shall~~ Disclose to the Licenses and Inspections Division of the Community Services Department the names and residential addresses of all its owners persons with any ownership interest of greater than five percent (5%) in said applicant or licensee.
6. ~~The applicant and no person with an ownership interest in the applicant of greater than five percent (5%) has either had a residential property business license revoked pursuant to this section or was deemed ineligible to be licensed pursuant to this section within three years of the date that the present application was received.~~
7. ~~If the applicant or licensee is not a natural person, each person, corporation or other entity with ownership interest of greater than five percent (5%) in said applicant or licensee holder shall meet the requirements of subdivisions (1) to (9), inclusive, and subdivision (11) of this subsection.~~
6. Not have any Owners who are ineligible for a Residential Property Business License.
87. ~~He/she/it shall~~ Comply with such other requirements as the Licenses and Inspections Division of the Community Services Department or the Housing Board of Appeals shall provide, in writing, in the text of the License or License renewal.
98. ~~He/she/it shall, within thirty days of receiving it, F~~ully and truthfully answer all questions contained on any interrogatories sent by the Licenses and Inspections Division of the Community Services Department designed to ascertain any information or facts required pursuant to this section within thirty (30) days from the date they are issued.
10. ~~He/she/it shall comply with the provisions of subsections (i) and (j) of this section.~~

~~(g)(d)~~ Each residential rental property business License shall be issued or renewed for a term of one year, subject to the power of the city to revoke for cause. No residential rental property business License shall be issued or renewed until the Applicant has paid a fee in the amount of one hundred fifty dollars (\$150.00) on a per dwelling unit basis calculated as follow:

1. \$50.00 per unit for the first 3 Dwelling Units; plus
2. \$40.00 per unit for the next 10 Dwelling Units; plus
3. \$35.00 per unit for each additional Dwelling Unit up to a maximum fee of \$12,000.00 per Property Owner.

~~(h)~~ (e) If any ~~licensee~~ Property Owner fails to conform to the requirements of subsection ~~(f)~~ (c) of this section during the term of the License, the Licenses and Inspections Division may revoke the License. Such license shall be deemed revoked when the Licenses and Inspections Division mails notice to a Property Owner ~~said licensee~~ said licensee a letter notifying ~~him/her/it~~ that said License is revoked and specifying the reasons for said revocation. If the ~~licensee~~ Property Owner informs the Licenses and Inspections Division, in writing, within thirty (30) days of the issuance of the notice that the Property Owner after said letter is mailed that he/she/it desires to appeal said the revocation of its License, ~~said the~~ Licenses and Inspection Division shall inform the chair of the Housing Board of Appeals, who shall call a meeting of said the Board to hear the Property Owner's said appeal. The Housing Board of Appeals shall have the power to alter the determination of the Licenses and Inspections Division if it finds that the facts do not support a revocation of the license according to this section or ~~said the~~ Bboard may suspend the said revocation upon such conditions as it may determine. If the Property Owner requests such an appeal has been requested, it shall not incur any fines under this Article until the appeal is determined ~~no fines shall be charged until after final disposition of the matter by the Housing Board of Appeals or until such date as said board shall determine.~~ Any person whose license has been revoked according to this section shall be deemed to not be licensed pursuant to this section.

~~(i)~~ Any person not in compliance with subsection (d) of this section shall be deemed in violation of this section. In such case, each separate housing unit shall be deemed as a separate offense and each day said person engages in the residential property trade within the city without a license shall be deemed a separate offense. Any person in violation of this section shall be fined two hundred and fifty dollars (\$250) for each said offense. Failure to pay this fine within sixty days shall constitute a debt in favor of the city. In enforcement of this debt, the city may place a lien upon any real estate owned by the person who has been fined. Each such lien may be continued, recorded and released in the manner provided by the Connecticut General Statutes for continuing, recording and releasing property tax liens. Each such lien shall take precedence over other liens and encumbrances filed after the effective date of this ordinance to the fullest extent permitted by law, except taxes, and may be enforced in the same manner as property tax liens. In addition to placing a lien against the property for failure to pay such fine, the city may bring a civil action against the debtor in a court of competent jurisdiction to recover such debt.

Sec. 14-403. Inspections.

(a) The city is authorized and directed to make periodic inspections of Dwelling Units leased or rented in the course of the Residential Rental Property Trade to ensure compliance with the Code of Ordinances. The city may randomly select Dwelling Units for

inspections or select Dwelling Units in response to complaints of violations of the Code of Ordinances. The city may conduct as many inspections, in its discretion, as the time and resources of the city may permit, but in no event shall any Dwelling Unit be randomly selected for an initial inspection more than once per calendar year.

(b) All inspections will be performed according to standards and procedures to be established by the city. The city shall provide a Property Owner with no less than ten days notice prior to an inspection. The Property Owner or his agent must provide any tenants residing in a Dwelling Unit with at least seven days notice of the inspection. The city will provide the Property Owner with consent forms for each Dwelling Unit subject to inspection. If a tenant objects to such inspection, the city must obtain an administrative warrant from the Connecticut Superior Court prior to conducting an inspection.

(c) If a Dwelling Unit passes inspection, the city will promptly notify the Property Owner of the results in writing. If the city finds any defects during the inspection, the city will provide the Property Owner with written notice of such defects. If no life threatening health and safety defect is found, the Property Owner will be given thirty (30) days to repair the defect and provide the city with: (1) written confirmation that he has remedied all defects; and (2) a \$150.00 fee for the city's re-inspection of the Dwelling Unit. After the city receives both written confirmation that the Property Owner has repaired the defects at issue and the re-inspection fee, it will re-inspect the Dwelling Unit. If the Property Owner fails to provide the city with written confirmation that he has remedied all defects within thirty (30) days and a \$150.00 re-inspection fee, or if the city finds that the defect has not been remedied upon its re-inspection of the Dwelling Unit, the Property Owner's License will be immediately revoked.

Sec. 14-404. Notice to Unlicensed Property Owners: Citation Hearings.

(a) The Licenses and Inspections Division of the Community Services Department shall issue a notice to any Property Owner who engages in the Residential Rental Property Trade or Residential Rental Property Business without a License. This notice shall be sent to the Property Owner via certified mail to the Property Owner and shall include:

1. The allegations against the Property Owner;
2. The amount of the fines, penalties, costs or fees due;
3. Notice that the Property Owner may contest his liability before a citation hearing officer by delivery in person or by mail written notice within ten days of the date thereof;
4. That if the Property Owner does not demand such a hearing, an assessment and judgment shall be entered against him; and
5. That such judgment may issue without further notice.

(b) If the Property Owner that receives a notice described in subsection (a) wishes to admit liability for any alleged violation, he may, without requesting a hearing, pay the full amount of the fines, penalties, costs or fees admitted to in person or by mail to the Licenses and Inspections Divisions of the Community Services Department.

(c) Any Property Owner who does not deliver or mail written demand for a hearing within ten days of the date of the first notice provided for in subsection (a) of this section shall be deemed to have admitted liability, and the Licenses and Inspections Division of the Community Services Department shall certify such Property Owner's failure to respond to the Hearing Officer. The Hearing Officer shall thereupon enter and assess the fines, penalties, costs or fees provided for by this Article.

(d) Any Property Owner who requests a hearing shall be given written notice of the date, time and place for the hearing. Such a hearing shall be held not less than fifteen days nor more than thirty days from the date of the mailing of the notice, provided the Hearing Officer shall grant upon good cause shown any reasonable request by any interest party for postponement or continuance. An original or certified copy of the initial notice of violation issued by the issuing official shall be filed and retained by the city, and shall be deemed to be a business record and evidence of the facts contained therein. The presence of the issuing official shall be required at the hearing if the Property Owner so requests. A Property Owner wishing to contest his liability shall appear at the hearing and may present evidence on his behalf. A designated municipal official, other than the Hearing Officer, may present evidence on behalf of the city. If the Property Owner fails to appear, the Hearing Officer may enter an assessment by default against him upon a finding of proper notice and liability under this Article. The Hearing Officer may accept from a Property Owner copies of police reports, investigatory and citation reports, and other official documents by mail and may determine thereby that the appearance of such Property Owner is unnecessary. The Hearing Officer shall conduct the hearing in the order and form and with such methods of proof as he deems fair and appropriate. The rules regarding the admissibility of evidence shall not be strictly applied, but all testimony shall be given under oath or affirmation. The Hearing Officer shall announce his decision at the end of the hearing. If the Hearing Officer determines that the Property Owner is not liable, he shall dismiss the matter and enter his determination in writing accordingly. If the Hearing Officer determines that the Property Owner is liable for the violation, he shall enter and assess the fines, penalties, costs or fees against such Property Owner as provided for by this Article.

(e) If a Property Owner fails to pay any fine assessed by the Hearing Officer upon the date of its entry, the Hearing Officer shall send by first class mail a notice of the assessment to the Property Owner found liable and shall file, not less than thirty days or more than twelve months after such mailing, a certified copy of the notice of assessment with the appropriate clerk of the Connecticut Superior Court.

(f) A Property Owner against whom an assessment has been entered pursuant to this section is entitled judicial review by way of appeal. An appeal shall be instituted within thirty days of the mailing of notice of such assessment by filing a petition to reopen the assessment pursuant to the requirements set forth in Connecticut General Statutes § 7-152c(g).

Sec. 14-405. Fines.

Any Person not in compliance with Section 14-402 of this Article shall be fined \$250.00 for each violation or the maximum authorized by Connecticut General Statutes § 7-148(c)(10)(A). Each separate day a Property Owner engages in the Residential Rental Property Trade in the city without a valid License shall constitute a separate and distinct violation of Section 14-402.

Alderman Michael Trueworthy